

Sixty-ninth
Legislative Assembly
of North Dakota

**SECOND ENGROSSMENT
with Conference Committee Amendments
REENGROSSED SENATE BILL NO. 2396**

Introduced by

Senators Weston, Boehm, Hogue, Paulson

Representatives Steiner, Tveit

1 A BILL for an Act to amend and reenact section 10-30.5-08 of the North Dakota Century Code,
2 relating to annual audits of the North Dakota development fund; to provide for a performance
3 audit of the North Dakota development fund; to provide for a legislative management report;
4 and to provide an appropriation.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 10-30.5-08 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **10-30.5-08. Annual audit.**

9 ~~The board of directors~~state auditor's office may conduct an annual audit of the financial
10 statements of the corporation pursuant to this section. If the state auditor's office does not
11 conduct the audit, the state auditor's office shall contract with a certified public accounting firm
12 to audit annually the financial statements of the corporation in accordance with generally
13 accepted auditing standards. The cost of the audit must be borne by the corporation.

14 **SECTION 2. PERFORMANCE AUDIT - NORTH DAKOTA DEVELOPMENT FUND -**
15 **REPORT TO LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE - REPORT TO**
16 **LEGISLATIVE MANAGEMENT.**

17 1. The state auditor's office shall contract with an independent third party for the
18 completion of a performance audit of the North Dakota development fund for the
19 period beginning July 1, 2019, and ending June 30, 2024. The state auditor's office
20 shall receive the final audit report by August 1, 2026.

- 1 2. The performance audit must address the economy, efficiency, and effectiveness of the
2 North Dakota development fund by examining internal processes, controls, and results
3 to identify areas for improvement and provide recommendations for corrective actions.
- 4 3. After the report is received under subsection 1, the state auditor's office shall present
5 the report at the next meeting of the legislative audit and fiscal review committee.
6 Before September 30, 2026, the state auditor's office also shall present the report to
7 the legislative management.

8 **SECTION 3. APPROPRIATION - PERFORMANCE AUDIT - NORTH DAKOTA**

9 **DEVELOPMENT FUND - ONE-TIME FUNDING.** There is appropriated out of any moneys in
10 the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so
11 much of the sum as may be necessary, to the state auditor's office for the purpose of
12 contracting for a performance audit of the North Dakota development fund, for the biennium
13 beginning July 1, 2025, and ending June 30, 2027. The appropriation provided in this section is
14 considered a one-time funding item.